



# NHRS Bulletin Board



## NEW HAMPSHIRE RETIREMENT SYSTEM

A Newsletter for NHRS Participating Employers

Number 28 • September 2005

### New Method for Transmitting XML Payroll Files

The New Hampshire Retirement System (NHRS) has been working with its pension administration software vendor to provide employers with a more secure method for transmitting monthly XML payroll files to NHRS. NHRS has added a link to the Employer Reporting System (ERS) web site at **www.nhrs.org** under the "Member Reporting" section, which will allow employers to upload the XML payroll file via a secure line. (NHRS uses Verisign to protect the data.) By submitting the XML files in this manner, the identity of NHRS members is protected.

This new feature, including instructions, is now available to employers on the ERS web site. To access the instructions on the web site, choose "Employer Reporting System", then choose "XML Upload Help". Employers must send the next XML payroll file using this new method.

**IMPORTANT:** Please note that any XML payroll files sent to **ershelp@nhrs.state.nh.us** will not be accepted after October 31, 2005.

Please call the NHRS helpline with any questions:  
**1-877-917-6477 x285**

### Employer Name and ID Needed on All Reports

As an effort to provide timely, accurate services to its participating employers, NHRS is requesting that all employers include their employer name and employer identification number on all reports and correspondence submitted to NHRS.

### Status of Additional Contributions Applications

NHRS members who applied for the Additional Contributions program by the deadline of December 31, 2004, should receive their cost calculation in the mail in early September. Members who do not receive their cost calculation by September 15, 2005, or who have questions about their cost calculation, should contact NHRS by writing to:

**ATTN: Service Credit Specialist  
NH Retirement System  
4 Chenell Drive  
Concord, NH 03301**

Or, members may contact NHRS by email:  
**rmackin@nhrs.state.nh.us.**

Please note that the Additional Contributions program is available to only those members who applied by December 31, 2004, and whose applications have been approved, as stated in the NHRS statutory provisions (RSA 100-A).

**Please let NHRS know what your  
information and training needs are so  
we can best serve you...**

**Please contact NHRS at:  
Email: [kfrance@nhrs.state.nh.us](mailto:kfrance@nhrs.state.nh.us)  
Phone: 1-877-917-6477 x252**

### Are You Changing Payroll Software Vendors?

Please contact NHRS at:  
**[mbrock@nhrs.state.nh.us](mailto:mbrock@nhrs.state.nh.us),  
or by phone, 1-877-917-6477 x259**

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## Differential Pay for NHRS Members Called to Active Military Duty Should Not Be Reported

Members of the New Hampshire Retirement System (NHRS) who must leave their NHRS-covered employment because they are called to active military duty may be entitled to receive NHRS service credit for the period of military duty, upon application to the System. NHRS members, however, will not receive salary credit for any differential pay which they receive from their former employers.

The Internal Revenue Service (IRS) does not deem differential compensation paid by an employer to a former employee who was called to active military duty as “wages for services performed in employment”. Based on the IRS regulation, NHRS members who are called to active military duty are not considered to be employed by the NHRS-participating employer and are not “in service” for NHRS purposes.

### Reporting Wages for The School Year

#### *10-Month Or 12-Month Reporting?*

When reporting member wages to NHRS, SAUs and school districts must select “10-month reporting” for teachers and employees who work a 10-month school year. SAUs and school districts should *not* select “12-month reporting”, unless a school employee is working during the summer months of July and August. Although teachers and school employees may be paid during the summer months for time worked during the 10-month school year, the SAU or school district must still select “10-month reporting”.

All teachers and school employees who work a 10-month school year receive one full year of NHRS service credit despite the reporting period.

Accordingly, NHRS cannot accept contributions on a member’s differential pay, and employers must not report those wages to the System.

**NHRS cannot accept contributions on a member’s differential pay, and employers must not report those wages to NHRS.**

NHRS members who are called to active military duty may receive up to three years of NHRS service credit at no cost. To qualify, a member must return to NHRS-covered employment within one year of

military discharge and send to NHRS a copy of his/her DD 214 form. NHRS will then post the service credit to the member’s account, at no cost to the member. Members whose military duty is in excess of three years may receive up to three years of NHRS service credit, at no cost, and the members may purchase the additional service credit, at their own cost.

This military service credit will count toward retirement eligibility, just as if the members had been working in their regular NHRS-covered position during the period of active military duty. For more information about military service credit, members should contact NHRS at 1-877-917-6477 x232.

### SAUs Must List Each School District on Reports

It is important for School Administrative Units (SAUs) to include the name of each school district for which reports are submitted. This enables NHRS to match a report with the appropriate school district.

**For any questions about employer reporting issues, please contact the NHRS helpline at 1-877-917-6477 x285.**